

Message Text

CONFIDENTIAL

PAGE 01 CAIRO 11776 151111Z
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W
-----066243 152043Z /65

R 151015Z JUL 77
FM AMEMBASSY CAIRO
TO SECSTATE WASHDC 7272
INFO AMEMBASSY DAMASCUS
AMCONSUL ALEXANDRIA

C O N F I D E N T I A L CAIRO 11776

EXDIS

EO 11652: GDS
TAGS: EINV, ETRD, EG
SUBJ: FORD MOTOR PROJECT

REF (A) CAIRO 11453, (B) STATE 163153,

1. FOLLOWING IS TEXT OF CABLE DATED 5 JULY 77 SENT BY MINECON
EL SAYEH TO WILLIAMS OF FORD MIDEAST AND AFRICA. COPY WAS
PROVIDED EMBASSY BY MINECON.

2. "REFERENCE TO YOUR LETTER DATED 31 MAY ADDRESSED TO DR
KAISSOUNI WE WOULD LIKE TO INFORM YOU THAT AFTER REVIEWING
THE WHOLE SITUATION YOUR PROJECT IS ACCEPTABLE WITH THE
FOLLOWING CONDITIONS:

1. CUSTOM DIFFERENTIAL BETWEEN CBU AND CKD PARTS SHOULD
START WITH THE PRESENT STATUS (I.E.) 10 PERCENT AND BE
INCREASED TO 15 PERCENT WHEN DOMESTIC INPUT PERCENTAGES
EXCEEDS 40 PERCENT.

2. YOUR PARTICIPATION IN CAPITAL SHOULD BE WITH YOUR SMOUHA
PLANT PLUS FIVE MILLION DOLLARS IN CASH.

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3. FORD SHALL FORM IN EGYPT A DISTRIBUTION COMPANY TO UNDER-
TAKE SALES OF FORD PRODUCT, IN OTHER AGREED COUNTRIES.
THE REVENUES OF THIS COMPANY SHALL BE SUBJECT TO TAXATION
ACCORDING TO EGYPTIAN LAW.

4. INCREASING LOCAL INTEGRATION SHOULD BE A CLEAR TARGET
OF THE VENTURE. THE VENTURE SHOULD NOT DISCRIMINATE AGAINST

LOCALLY PRODUCED PARTS WHICH COMPLY WITH REQUIRED SPECIFICATIONS,
BESIDES INCREASING THE IN-PLANT PRODUCTION.
HOPING THAT THESE CONDITIONS ARE ACCEPTABLE TO YOU. WE ARE
WILLING TO RESUME OUR NEGOTIATIONS TO IMPLEMENT THE JOINT
VENTURE AND THE NECESSARY STEPS TOWARDS ITS ESTABLISHMENT.

FOR YOUR INFO DR ABDEL RAZAK ABDEL MEGUID, MIN OF PLANNING,
WILL BE IN CANADA AND USA FROM 10 TO 20 JULY. HE WILL BE READY
FOR ANY DISCUSSION YOU MAY LIKE TO HAVE.
WITH BEST REGARDS

DR HAMED EL-SAYEH, MINISTER OF ECONOMY AND ECONOMIC COOP-
ERATION."

3. REGARDING LAST PARA OF CABLE, MINPLANNING ABDEL MEGUID'S
TRIP TO CANADA AND US WAS CANCELLED AT LAST MINUTE. THUS HE
WILL NOT BE AVAILABLE FOR DISCUSSION. REQUEST DEPT VERIFY
WITH FORD RECEIPT OF CABLE.
EILTS

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NNN

Message Attributes

Automatic Decaptioning: Z
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AUTOMOTIVE INDUSTRY
Control Number: n/a
Copy: SINGLE
Sent Date: 15-Jul-1977 12:00:00 am
Decaption Date: 22 May 2009
Decaption Note: 25 YEAR REVIEW
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977CAIRO11776
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770252-1142
Format: TEL
From: CAIRO
Handling Restrictions:
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770754/aaaabuttf.tel
Line Count: 81
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 59784a6b-c288-dd11-92da-001cc4696bcc
Office: ACTION SS
Original Classification: CONFIDENTIAL
Original Handling Restrictions: EXDIS
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: EXDIS
Reference: 77 CAIRO 11453, 77 STATE 163153
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 27-Mar-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1852736
Secure: OPEN
Status: NATIVE
Subject: FORD MOTOR PROJECT
TAGS: EINV, ETRD, EG, US, FORD MOTOR CO
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/59784a6b-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009